

Application Serial No.: 10/707,491
Amendment and Response to July 14, 2005 Final Office Action

RECEIVED
CENTRAL FAX CENTER

AMENDMENTS TO THE CLAIMS

SEP 14 2006

This listing of claims will replace all prior versions, and listings, of claims in the application:

1.(Previously Presented) A method for issuing a unit to a holder, comprising:
creating a forward contract with said holder having a contract term extending from an issue date of said unit to a settlement date and specifying a settlement rate for calculating a share delivery of issuer stock to said holder at said settlement date in exchange for a settlement amount;
creating a note securing obligations of said holder under said forward contract, said note permitting said holder to convert said note into an amount of shares of issuer stock pursuant to a specified conversion formula; and
issuing, using a processor, said forward contract and said note as a unit.

2.(Original) The method of claim 1, wherein said note is at least one of: a convertible debt instrument, a contingent convertible debt instrument, a convertible preferred instrument, a preferred stock instrument, and a fixed income instrument.

3. (Original) The method of claim 1, wherein said forward contract obligates said issuer to pay a contract fee to said holder during said contract term.

4. (Original) The method of claim 3, wherein said contract fee is specified as an annual contract payment rate paid quarterly during said term.

5. (Original) The method of claim 1, wherein said note has a maturity date, said maturity date occurring after said settlement date.

6. (Original) The method of claim 5, wherein said settlement date is less than or equal to about four years after said issue date.

Application Serial No.: 10/707,491
Amendment and Response to July 14, 2005 Final Office Action

7. (Original) The method of claim 1, wherein said conversion formula specifies an initial share price, an initial share conversion price, an initial share conversion premium, and a share conversion ratio.

8. (Original) The method of claim 1, wherein said note is a contingent payment debt instrument for tax purposes.

9. (Original) The method of claim 8, wherein said contingent note includes a contingency event occurring after said settlement date, said contingency event causing said holder to receive an amount of contingent interest if the trading price of the note is greater than a specified percentage of the accreted principal amount of said note.

10. (Original) The method of claim 9, wherein said contingency event causes a distribution of a number of warrants.

11. (Original) The method of claim 8, wherein said contingent note includes the distribution of additional warrants at a first call date associated with said note.

12. (Original) The method of claim 11, wherein said additional warrants are distributed if a share price of said issuer stock has increased above a predetermined amount since said issue date.

13. (Original) The method of claim 8, wherein said contingent note includes at least one of an interest adjustment mechanism and a contingent cash interest mechanism.

14. (Original) The method of claim 1, wherein said note further includes an issuer call option arising on a specified date prior to a maturity of said note.

Application Serial No.: 10/707,491
Amendment and Response to July 14, 2005 Final Office Action

15. (Original) The method of claim 1, wherein said note further includes a first remarketing scheduled on a first remarketing date occurring prior to said settlement date.

16. (Original) The method of claim 15, wherein said first remarketing is a capped remarketing.

17. (Original) The method of claim 16, wherein said note further includes at least a second capped remarketing scheduled after said first remarketing date.

18. (Original) The method of claim 17, wherein said note further includes an opportunistic remarketing period after said settlement date and during which said issuer can elect to cap a remarketing or not.

19. (Original) The method of claim 18, wherein said note further includes an uncapped remarketing scheduled after said opportunistic remarketing period.

20. (Original) The method of claim 1, wherein said note is at least one of a zero coupon note and a note having a low initial interest accretion rate.

21. (Original) The method of claim 1, wherein said forward contract specifying that said holder never receives an amount of issuer stock worth more than said settlement amount.

22. (Original) A unit administration system, comprising:
a processor; and
a storage device in communication with said processor and storing instructions adapted to be executed by said processor to:
identify terms of a forward contract involving an issuer, a holder and an equity security;

Application Serial No.: 10/707,491
Amendment and Response to July 14, 2005 Final Office Action

identify terms of a contingent convertible debt instrument involving said issuer, said holder and said equity security; and
cause the issuance of a unit to said holder, said unit including said forward contract and said contingent convertible debt instrument.

23. (Original) The unit administration system of claim 22, further comprising a communication device coupled to receive information from at least one of said issuer, said holder, and a market data source.

24. (Currently Amended) The unit administration system ~~method~~ of claim 22, wherein said terms of said contingent convertible debt instrument include conversion terms requiring said issuer to deliver to said holder value equal to an accreted principal amount of said contingent convertible debt instrument and an amount of shares having a value equal to a remaining conversion value of said contingent convertible debt instrument.

25. (Previously Presented) A method for issuing a unit to a holder, comprising:
establishing a purchase contract portion of said unit with said holder, said purchase contract portion identifying a settlement price to be paid on a settlement date by said holder in exchange for a number of shares having a predetermined value;
establishing a note portion of said unit, said note portion including terms identifying a maturity date, an initial principal amount, at least a first remarketing date, and at least one contingent feature; and
issuing, using a processor, said unit to said holder.

26. (Currently Amended) The method of claim-~~24~~25, said purchase contract portion further identifying a contract payment amount to be paid to said holder.

27. (Currently Amended) The method of claim-~~24~~25, wherein at least one of said establishing a purchase contract portion, establishing said note portion and issuing said unit is performed using a computing device.

Application Serial No.: 10/707,491
Amendment and Response to July 14, 2005 Final Office Action

28. (Currently Amended) The method of claim-2425, said note portion further comprising:
terms permitting said holder to convert said note portion into an amount of shares of issuer stock pursuant to a conversion formula.

29. (Currently Amended) The method of claim-2425, wherein said at least one contingent feature is an additional distribution of warrants at a first call date if a share price is greater than a threshold amount.

30. (Previously Presented) A method for issuing a unit to a holder, comprising:
creating a forward contract obligating an issuer to pay a contract fee to said holder, said forward contract having a contract term and specifying a share delivery ratio for calculating a share delivery of issuer stock to said holder at an end of said contract term;
creating a convertible debt instrument securing obligations of said holder under said forward contract, said convertible debt instrument permitting said holder to convert said note into an amount of shares of issuer stock pursuant to a conversion formula, and specifying a contingent distribution of additional warrants at a first call date if a share price of said issuer stock is above a predetermined amount on said first call date; and
issuing, using a processor, said forward contract and said convertible debt instrument as a unit in exchange for a price.

31. (Currently Amended) The method of claim-2930, wherein at least one of said creating a forward contract, creating a convertible debt instrument, and issuing said forward contract is performed using a computer.

32. (Original) A unit pricing device, comprising:
a processor;

Application Serial No.: 10/707,491
Amendment and Response to July 14, 2005 Final Office Action

a communication device coupled to receive market information from at least a first market data source; and

a storage device in communication with said processor and storing instructions adapted to be executed by said processor to:

receive data identifying terms of a proposed unit including data identifying terms of a forward contract involving an issuer and an equity security, and data identifying terms of a contingent convertible debt instrument involving said issuer and said equity security;

receive said market information from said market data source; and
generate, based on said market information and said terms of said proposed unit, pricing data associated with said proposed unit.

33. (Original) A computer-implemented method for issuing a unit to a holder, comprising:

receiving, in a computer, unit data, said unit data including data associated with an issuer stock, interest rate data, and yield data;

calculating, using said computer and based on said unit data, terms of said unit;

creating a forward contract having terms calculated by said computer, the forward contract having a contract term extending from an issue date of said unit to a settlement date, said forward contract specifying a settlement rate for calculating a share delivery of issuer stock to said holder at said settlement date in exchange for a settlement amount;

creating a note securing obligations of said holder under said forward contract, said note having terms calculated by said computer and permitting said holder to convert said note into an amount of shares of issuer stock pursuant to a specified conversion formula; and

issuing said forward contract and said note as a unit.